

880215 Abe

→ Abe
→ Pal

Commander options B.C. properties to Geoinformatics

2007-02-07 11:27 ET - News Release

Also News Release (C-GXL) Geoinformatics Exploration Inc

Mr. Kenneth Leigh of Commander reports

Commander Resources Ltd (2)	
Symbol	CMD
Shares Issued	61,668,825
Close 2007-02-06	C\$ 0.64
Recent Sedar Documents	

COMMANDER OPTIONS BC COPPER-GOLD PROPERTIES TO GEOINFORMATICS

Commander Resources Ltd., subject to board approval, has entered into an agreement with Geoinformatics Exploration Inc.'s Geoinformatics Exploration Canada Ltd. (GXL), whereby GXL may earn an initial 60-per-cent interest and an ultimate 80-per-cent interest in a package of five properties in the Omineca mining district of British Columbia that are owned 100 per cent by Commander. The properties are located about 100 kilometres south of the Kemess copper-gold mine, covering an area of about 10,000 hectares.

Under the agreement, GXL may earn an initial 60-per-cent interest by completing \$4.5-million in exploration expenditures over four years and paying to Commander \$300,000 in cash, of which \$50,000 in cash and \$750,000 in work expenditures is the commitment for 2007, and a second cash payment of \$250,000 is made to Commander once GXL vests at 60 per cent. Minimum expenditure commitments apply to individual properties. GXL has funds in place and has proposed an aggressive drill campaign on a portion of the properties in 2007.

X

Upon earning 60 per cent, GXL will continue to sole finance work on the property until GXL completes and delivers a positive prefeasibility study to Commander and pays Commander \$1.5-million, at which time GXL will have earned an 80-per-cent working interest in the properties. For clarity, once GXL has vested at 60 per cent, Commander's 40-per-cent interest will be carried until completion of the prefeasibility study by GXL.

Once GXL vests at 80 per cent, a joint venture will be formed (CMD -- 20 per cent, GXL -- 80 per cent). Financing on the properties will continue pro rata. If GXL vests at 60 per cent and fails to propose work programs for three years, Commander will be entitled to propose a budget and program on the properties which will be financed pro rata or GXL's interest will dilute.

A 2-per-cent net smelter return (NSR) is provided to a diluted party whose interest drops below 10 per cent. The NSR varies between 1.75 per cent and 2 per cent, depending on the mineral claim. There is a buy-down provision to 1-per-cent NSR for \$3-million.

Two mineral claim groups, namely Abe and Pal, are subject to an underlying royalty and purchase agreement between Commander and John Robins, under which Mr. Robins is entitled to certain cash and royalty provisions on a portion of the properties.

Pal = \$300k
Abe ~ \$300k
Other 3 props
= \$300k

Copper and gold mineralization, magnetic anomalies, and induced polarization (IP) anomalies on the properties are associated with Hogem batholith-related intrusives and Takla volcanics. The properties are located within a 17-kilometre radius and proximal to access roads. Two of the properties (Abe, Pal) have drill-ready targets. With additional ground surveying, the remaining properties can be quickly brought to drill stage.

Numerous mines and subeconomic deposits have been identified in similar rocks extending northwesterly across the entire province. The Kemess copper-gold mine is currently in production with a second deposit slated for production (Kemess North). Development of the giant Galore Creek copper-gold deposit is advancing and resumption of production is planned for the Mt. Polley mine in the southern portion of the belt.

Bernard Kahlert, PEng, is the company's qualified person under regulatory authorities National Instrument 43-101.

▲ Top

Print this Page

Old Site | Home | Products

Account | System Status

Don Mustars 11:45a
5th Flr
Abe/Pal
for Don M.